



**United States Department of Justice
United States Attorney's Office
District of Minnesota**

Rachel K. Paulose, United States Attorney

Jeanne F. Cooney, Director of External Relations
Media Line: 1-888-264-5107

News Release

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Minnesota Farmer Pleads Guilty to Fraud

Minneapolis - A Glenville, Minnesota, farmer appeared in federal court today to plead guilty to a fraud charge stemming from his farming operation. Michael Orris Rognes, age 62, was charged with one count of conspiracy to defraud the United States and to commit offenses against the United States by making a false statement to the Commodity Credit Corporation, an agency of the U.S. Department of Agriculture. Rognes entered his guilty plea before United States District Court Judge Joan N. Ericksen.

Documents filed in this case indicate that in January of 1999, the Farm Services Agency ("FSA"), which is a U.S. Department of Agriculture agency that administers programs for the Commodity Credit Corporation, informed Rognes that he was ineligible to receive full program payments for farming a certain tract of land. In response, Rognes conspired with others to devise and implement a scheme to secure those payments.

Specifically, Rognes reported to FSA that he no longer farmed the land in question. Instead, he indicated that the land was being farmed by the landowner. Rognes also submitted a farm

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operating plan to FSA that stated the same. Between January of 1999 and June of 2002, however, Rognes continued to provide rent payments to the landowner for use of that land. Those payments made Rognes the only person with financial risk relative to the farming of the land. Moreover, Rognes directed the landowner to turn over to him all program payments attributable to the land. He then arranged to conceal the true source of those funds by calling them “loan” or “salary” payments.

Court documents also state that even after the FSA determined that Rognes was actively farming the land in question, he perpetuated his scheme to defraud the U.S. government. For example, he falsely represented to the FSA and the U.S. Department of Agriculture National Appeals Division that he was simply “custom farming” the land for the landowner, who was the active operator of the site. He also gave false testimony in U.S. Bankruptcy Court relative to the operation of the land.

Due to the criminal actions of Michael Orris Rognes, the United States lost approximately \$26,658.00 in FSA farm program funds. The maximum potential penalty for this crime is five years in federal prison. The actual sentence imposed in this case will be determined by Judge Ericksen and imposed at a hearing not yet scheduled.

This case is the result of an investigation by the U.S. Department of Agriculture and is being prosecuted by Assistant United States Attorney Nicole A. Engisch.

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